



RECEIVED

NOV 8 AM 10 14

November 5, 2002

TN REGULATORY AUTHORITY
DOCKET ROOM

Mr. Joe Werner
Chief, Telecommunications Division
Tennessee Regulatory Authority
460 Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Docket 02-00207 Status Conference Order

Dear Mr. Werner:

Here are the responses of NA Communications, a Tennessee CLEC, concerning the above referenced docket. NA Communications is a DSL provider in Tennessee and does not provide voice services at this time. NA Communications is a subsidiary of NTELOS Inc., which also operates two other facilities-based CLECs in Virginia and West Virginia. NTELOS and NA Communications strongly support the continued use of UNE-Platform ("UNE-P") and believe that ILECs in Tennessee should be required to offer this important unbundled network element. NA Communications is strongly considering using UNE-P to enter the voice market and would like the service to be available.

The elimination of UNE-P would clearly impair a telecommunications provider trying to provide service for small and medium size business and residential customers. CLECs use UNE-P, with its associated revenue streams from Carrier Access Billing, and the Subscriber Line Charge, as the only way to enter a market, gain a base of customers, and later transition to facilities based service where it makes sense. It is virtually impossible for a CLEC to exist in a competitive situation with the 20% margin (maximum) that is offered by the ILEC's under 'Resale', and offer a competitive price to the end user as well. This leaves UNE-P as the only avenue for local competition to flourish.

Efforts by the large ILECs such as BellSouth to eliminate the only vehicle for consumer and small business local competition, just as they push into long distance themselves, are classic monopolistic tactics. The Bells are blaming UNE-P and other wholesale pricing issues for "financial woes" that are in reality driven by entirely different causes such as losing customers to wireless and CLEC providers, and a depressed economy.

In summary, the Telecommunications Act has finally begun to work, and UNE-P has finally evolved to become a workable economic model on which a future of vibrant communications competition can be built. To this end, it is essential for the FCC and state commissions to allow UNE-P based competition to continue to develop beyond its nascent stage, and let market forces and technology drive the transition to facilities wherever and whenever it becomes economically possible, without artificial triggering mechanisms. If UNE-P competition isn't allowed to survive, the telecom market will return to a very few monopolistic providers (the Bell Companies) that have total control over service and pricing.

Here are the answers (in bold) for NA Communications to the specific questions asked in your October 25, 2002 letter: